

1 KATHERINE JOHNSON (CA SBN 259854)
2 CASPER J. RANKIN (CA SBN 249196)
3 JOSEPH C. DELMOTTE (CA SBN 259460)
4 PITE DUNCAN, LLP
5 4375 Jutland Drive, Suite 200
P.O. Box 17933
San Diego, CA 92177-0933
Telephone: (858) 750-7600
Facsimile: (619) 590-1385

6 Attorneys for JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

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8 UNITED STATES BANKRUPTCY COURT

9 NORTHERN DISTRICT OF CALIFORNIA - SAN FRANCISCO DIVISION

10 In re	Case No.09-32305-TEC
11 PIONEER 74 LOTS, LLC,	Chapter 7
12 Debtor(s).	
13	DECLARATION IN SUPPORT OF
14	MOTION FOR RELIEF FROM
15	AUTOMATIC STAY
16	(11 U.S.C. § 362 and Bankruptcy Rule 4001)
17	Property: 818- 820 Green Street, San
18	Francisco, California 94133
19	Position: First Deed of Trust
20	DATE: March 22, 2010
	TIME: 1:00pm
	CTRM: 22
	235 Pine Street, 19th Floor
	San Francisco, CA 94104

21 I, Wanda Chapman, declare:

22 1. I am employed as a Bankruptcy Supervisor by JPMorgan Chase Bank, National
23 Association ("Movant"). I have personal knowledge of the matters set forth in this declaration
24 and, if called upon to testify, I could and would competently testify thereto. I am over 18 years of
25 age. I have knowledge regarding Movant's interest in the real property that is the subject of this
26 Motion.

27 2. I am familiar with the manner and procedures by which Movant's business
28 records are obtained, prepared, and maintained. Those records are obtained, prepared, and

1 maintained by Movant's employees or agents in the performance of their regular business duties
2 at or near the time, and conditions, and/or events recorded thereon. The records are made either
3 by persons with knowledge of the matters they record or from information obtained by persons
4 with such knowledge. I have knowledge and/or access to Movant's business records regarding
5 the Note and Deed of Trust that are the subject of this action and have personally reviewed these
6 business records prior to executing this declaration.

7 3. On or about August 16, 2005, Joanne Eng ("Borrower"), for valuable considera-
8 tion, made, executed and delivered to the original beneficiary Washington Mutual Bank, FA
9 (hereinafter "WAMU") a Note in the principal sum of \$1,600,000.00 (the "Note"). Pursuant to
10 the Note, Borrower is obligated to make monthly principal and interest payments commencing
11 October 1, 2005, and continuing until September 1, 2035, when all outstanding amounts are due
12 and payable. A true and correct copy of the Note is attached hereto as exhibit A and
13 incorporated herein by reference.

14 4. Movant is the current owner of the note and is entitled to enforce the provisions of
15 the Note and Deed of Trust.

16 5. On or about August 16, 2005, the Borrower made, executed and delivered to
17 WAMU a Deed of Trust (the "Deed of Trust") granting WAMU a security interest in real
18 property commonly described as 818- 820 Green Street, San Francisco, California 94133 (the
19 "Real Property"), which is more fully described in the Deed of Trust. The Deed of Trust provides
20 that attorneys' fees and costs incurred as a result of the Debtor's bankruptcy case may be
21 included in the outstanding balance under the Note. The Deed of Trust was recorded on August
22 26, 2005, in the Official Records of San Francisco County, State of California. A true and
23 correct copy of the Deed of Trust is attached hereto as exhibit B and incorporated herein by
24 reference.

25 6. On or about September 25, 2008, WAMU was closed by the Office of Thrift
26 Supervision and the FDIC was named receiver. As authorized by Section 11(d)(2)(G)(i)(II) of
27 the Federal Deposit Insurance Act, 12 U.S.C. Section 1821(d)(G)(i)(II), the FDIC, as receiver of
28 WAMU, may transfer any asset or liability of WAMU without any approval, assignment, or

1 consent with respect to such transfer. Pursuant to the terms and conditions of a Purchase and
2 Assumption Agreement between the FDIC as receiver of WAMU and Movant dated September
3 25, 2008, Movant acquired certain of the assets, including all loans and all loan commitments of
4 WAMU. As a result, on September 25, 2008, Movant became the owner of the loans and loan
5 commitments of WAMU.

6 7. On or about September 12, 2005, an unauthorized Grant Deed was recorded in
7 the San Francisco County Recorder's Office whereby Borrower purported to transfer interest in
8 the Real Property to Martin Eng for no consideration. A true and correct copy of the above-
9 referenced Grant Deed is attached hereto as exhibit C and incorporated herein by reference.

10 8. The obligation under the Note is in default as of November 1, 2008, for failure to
11 make payments to Movant. As of February 10, 2010, the total obligation due and owing under
12 the Note is in the approximate amount of \$1,888,020.90, representing the principal balance of
13 \$1,736,907.52, interest in the sum of \$103,143.35, late charges in the amount of \$1,400.76,
14 escrow advances in the amount of \$40,558.22, a recoverable balance in the amount of \$6,000.20,
15 and other fees in the amount of \$10.85. This is an approximate amount for purposes of this
16 Motion only, and should not be relied upon as such to pay off the subject loan as interest and
17 additional advances may come due subsequent to the filing of the Motion. An exact payoff
18 amount can be obtained by contacting Movant's counsel. Further, Movant has incurred additional
19 post-petition attorneys' fees and costs in bringing the instant Motion. Moreover, the total arrears
20 under the Note are in the approximate sum of \$130,204.95, excluding the post-petition attorneys'
21 fees and costs incurred in filing the instant Motion. A true and correct copy of the contractual
22 payment accounting pursuant to Local Rule 4001-1(g)(1) is attached hereto as exhibit D and
23 incorporated herein by reference.

24 9. I am informed and believe that, based on the Debtor's bankruptcy Schedules and
25 Statements, the fair market value of the Property is approximately \$1,500,000.00. True and
26 correct copies of the Debtor's bankruptcy Schedules "A" and "D" are collectively attached hereto
27 as exhibit E and incorporated herein by reference.

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1 10. Based on the above, Movant maintains that the equity in the Property is as
2 follows:

3	Fair Market Value:	\$1,500,000.00
4	Less:	
	Movant's Trust Deed	\$1,888,020.90
	Cournale & Co.'s 2 nd Trust Deed	\$285,000.00
	Wayne Eng's 3 rd Trust Deed	\$68,000.00
	Stephen S Leung & Helena S Leung's 4 th Trust Deed	\$230,000.00
	Dennis Yan, Esq. s 5 th Trust Deed	\$200,000.00
	Asians.com Realty s 6 th Trust Deed	\$45,000.00
	Costs of Sale (8%)	<u>\$120,000.00</u>
8	Equity in the Property:	\$<1,336,020.90>

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 26 day of February, 2010, at Florence, S.C. (city, state).

Wanda Chapman
Wanda Chapman - Bankruptcy Supervisor